

**Up Next: Fed's policy decision on
Wednesday, March 22 at 18:00 GMT.**

The street widely expects Chairman Jerome Powell to lift the key rate by another quarter-point to contain inflation.

**Nifty's biggest intraday support
at 17017 mark.**



Daily Research Reports

Good Morning & Welcome to Wednesday's trading session at Dalal Street, dated March 22nd 2023.

In early action, SGX Nifty is seen trading water.

Well, the said nervousness or anxiousness is quite obvious as investors and traders prepare for this evening's FOMC meeting to trickle in at 11.30 pm IST.

Strictly speaking, the street widely expects Chairman Jerome Powell to lift the key rate by another quarter-point to contain inflation.

Meanwhile, CME's Fed Watch Tool shows a 15% chance that there's no hike at all.

Outlook for Wednesday: Bulls may aim to regroup on any sharp intraday declines.

Now to some positive news:

- 1) Janet Yellen has said that the US government is working to ensure that deposits are insured at banks if more problems arise.
- 2) First Republic Bank shares were up 40% in overnight trade on reports that the JPMorgan Chase CEO Jamie Dimon is leading discussions with other bank chiefs about a rescue plan for the bank.

Strictly speaking, Wall Street has calmed down and also ripped higher since the emergency takeover of Credit Suisse by its compatriot UBS.

Long story short: Cautious optimism likely to be the preferred theme for the day.

Meanwhile, the biggest headwind for our stock markets is the relentless selling by the FIIS despite the three-big positive catalysts:

1. Fed dovish Fed expectations.
2. WTI Oil sluggish at \$68 a barrel.
3. Oversold technical conditions.

SECTORS:

Bullish Sectors: BANKS, INFRA.

Bearish Sectors: PHARMA, AUTO.

INDICES

Nifty	17108	0.70%
Bank Nifty	39895	1.35%
Nifty Auto Index	12142	0.08%
Nifty FMCG Index	44913	-0.66%
Nifty Infra Index	5100	0.85%
Nifty IT Index	28165	-0.98%
Nifty Media Index	1744	1.23%
Nifty Midcap Index	8434	0.49%
Nifty Metal Index	8495	0.43%
Nifty Pharma Index	11634	-0.25%
Nifty Reality Index	395	-0.08%
Nifty Smallcap Index	9065	0.66%
Sensex	58075	0.77%
SGX Nifty	17131	-0.16%

Outlook for the Day

Buy on dips

Nifty Outlook

Intraday	Positive (17000-17250)
Medium Term	Neutral (15100-18000)
Long Term	Positive (14251-19501)

Key Levels to Watch

Nifty Support	17017/16807
Nifty Resistance	17455/17633

Pivot Level

Nifty	17959
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STOCKS IN FOCUS:

BULLISH VIEW: BAJAJ AUTO, INDIAMART INTERMESH, INDRAPRASTHA GAS, SRF, NESTLE INDIA, HDFC AMC, BANK OF BARODA, BAJAJ FINANCE, RBL BANK. STATE BANK OF INDIA.

BEARISH VIEW: CUMMINS INDIA, BIOCON, BPCL, PERSISTENT SYSTEMS, VOLTAS, GLENMARK PHARMA, BRITANNIA INDUSTRIES, APOLLO HOSPITALS, DABUR INDIA

Our **chart of the day** is bullish on HDFC BANK, SRF and NAVIN FLOURINE on any early dips with an interweek perspective.

The 1 stock to buy right now: Buy SRF (CMP 2349): Buy between 2310-2330 zone. Stop 2253. Targets 2389/2421. Aggressive targets at 2567. (Interweek Strategy). Rationale: Breakout Play.

WHAT TECHNICALS TELLS US

Daily chart of Nifty:



Nifty: In yesterday's trade, the benchmark Nifty witnessed sharp rebound amidst oversold technical conditions.

The positive takeaway was that the benchmark ended above the crucial 17100 mark.

Nifty's technical landscape is still suggesting a rebound play amidst oversold conditions with interweek support at 16827 mark. Immediate hurdles at 17221 mark and then at 17456 mark.

Nifty's 200 DMA at 17456 mark.

Daily chart of Bank Nifty:



Bank Nifty: In yesterday's trade, Bank Nifty too witnessed massive rebound and most importantly, was seen outperforming benchmark Nifty.

On the daily charts, Bank Nifty formed a 'bullish candle' with the most recent sequence of higher high intact on intraday charts.

Bank Nifty ended yesterday's trade with 1.35% gains as against Nifty's gains of 0.70%.

Nifty PSU Bank index was seen as major outperformer and ended with positive bias, up 1.65% while Nifty Private Bank index ended with 1.44% gains.

Intraday support for Bank Nifty seen at 39441 mark on closing basis. A close below intraday support at 39441, there is valid confirmation of more bearishness which could lead Bank Nifty down towards its biggest support at 38363 and then at intermonth support at 36570-36750 zone.

Bank Nifty's all-time-high is at 44151.80 mark. Bank Nifty's 200-DMA is placed at 39673 mark.

DERIVATIVE & INSTITUTIONAL CUES:

The **Nifty options data** suggests Nifty is likely to be in a trading range of 17000-17800 zone. Maximum Call OI is at 17800 followed by 17200 strike price. So, the 17800 mark will be Nifty's crucial resistance zone. Maximum Put open interest stands at 17000 levels followed by 16900 levels. Call writing was seen at 17800 and then at 17600 strike price, while there was meaningful Put writing at 17000 and then at 17100 strike prices.

The Volatility index is hovering at 15.08 level.

As per Friday's provisional data available on the NSE, FIIs sold shares to the tune of Rs 1766.53 crore while DIIs bought shares worth Rupees 1817.14 crores.

As per Monday's provisional data available on the NSE, FIIs sold shares to the tune of Rs 2545.87 crore while DIIs bought shares worth Rupees 2876.64 crores.

As per Tuesday's provisional data available on the NSE, FIIs sold shares to the tune of Rs 1455 crore while DIIs bought shares worth Rupees 1946 crores.

Nifty's Put-Call Open Interest Ratio is at 0.99.

Stocks in Ban for today's trade: INDIABULLS HOUSING FINANCE, BIOCON.

ECONOMIC CUES:

1) The European Central Bank hiked interest rates by 50 bps to combat inflation, but said the future rate path would depend on incoming data due to the European and US banking system turmoil.

2) The US consumer price index rose 6% on an annual basis in February, down from 6.4% in the month prior and dead-on the CPI reading of 6% expected among economists surveyed by FactSet.

The CPI rose 0.4% in February from January, in line with economists' forecasts and down from a month-over-month gain of 0.5% in January

3) India's CPI in February remained above the RBI's upper tolerance limit of 6% for the second straight month.

Amidst this backdrop, expect another rate hike by 25 basis points by the Monetary Policy Committee (MPC) in its April meeting.

GLOBAL STOCK MARKETS:

Overnight at Wall Street, US stocks rose after overcoming more jitters about regional banks. The next big test for the market comes in less than a day, when the Federal Reserve makes its next move on interest rates..

Strictly speaking, Wall Street has calmed since Sunday's emergency takeover of Credit Suisse by UBS, another Swiss Bank.

Meanwhile, in the week gone by, the Dow ended the week, down 0.2% while the S&P rose 1.4% and the Nasdaq gained 4.4%.

RECAP OF PREVIOUS DAY'S TRADING SESSION:

Nifty rebounded in today's trade as street cheered positive global cues on backdrop of constructive global banking sector development. Risk flow too seen returning.

RIL was the star outperformer of the day, up 3%. Bajaj Finance too jumps 2.83%.

Bulls were also seen regrouping at lower levels amidst the two-big positive catalysts:

1. Fed dovish Fed expectations.
2. WTI Oil sluggish at \$67 a barrel.

Bank Nifty (+1.28%) leads from the front as Nifty PSU Bank (+1.6%) and Nifty Private Bank index (1.3%) enjoy strong session. Nifty IT & FMCG indices sob, down 0.80% each.

BUZZING STOCKS:

Top Index Gainers: HDFC LIFE (+3.82%) RELIANCE (+3.21%) BAJAJ FINANCE (+2.89%).

Top Index Losers: POWERGRID (-1.93%) HINDUSTAN UNILEVER (-1.88%) BRITANNIA (-1.50%).

Adv-Dec 26 — 24

INDIA VIX 15.08 (-5.78%)

Nifty PCR 0.99

BANK NIFTY PCR 0.96

Nifty MidCap (+0.51%, 8435)

NiftySmallC (+0.50%, 9051)

BANK Nifty (+1.35%, 39895)

Nifty IT (-0.85%, 28200)

USD/INR (+0.16%, 82.64)

Market Summary:

- Nifty March Futures ended Tuesday's session at a premium of +61 vs premium of +49.
- The 29th March expiry Put-Call Open Interest Ratio was at 0.99 for Nifty whereas it was 0.96 for Bank Nifty.
- The 29th March expiry Put-Call Volume Ratio was at 0.95 for the Nifty and 0.80 for Bank Nifty
- For Nifty, Maximum Call Open Interest (OI) stands at 18000 Strike Price, followed by 17500 Strike Price for 29th March Series. Short Covering was seen at strike prices 16800-17100.
- Maximum Put Open Interest (OI) was seen at strike price 17000 followed by 16500 strike prices for 29th March series. Short Buildup was seen at strike prices 16600-17100.
- For Bank Nifty, Maximum Call Open Interest (OI) stands at 40000 Strike Price and Maximum Put Open Interest stands at 39000 Strike Price.
- As per Tuesday's provisional data available on the NSE, FIIs sold shares worth Rs. 1,454.63 crores in the Indian Equity Market. DIIs on the other hand bought shares worth Rs. 1946.06 crores.
- Long Buildup: IDFCFIRSTB, SAIL, FEDERALBNK.
- Short Buildup: INFY, DLF, APOLLOHOSP, MPHASIS.
- Short Covering: BANKBARODA, TATAMOTORS, EXIDEIND, VEDL.
- Long Unwinding: GAIL, TECHM, TATACONSUM, PERSISTENT.
- Stocks banned in F&O segment:** BIOCON, IBULHSGFIN.
- New in Ban: NIL.
- Out of Ban: NIL.

Changes in Open Interest (OI) in yesterday's trade.

Nifty Spot	17107.50 (+0.70%)
Bank Nifty Spot	39894.70 (+1.35%)
VIX	15.08 (-5.81%)
Premium	+61 vs +49
Nifty Future OI	1.23 crores (+0.28%)
Bank Nifty Future OI	25.82 lakhs (-0.99%)

Cash Volumes (INR in Cr.)	Yesterday	Day Before Yesterday
BSE Cash Vol. (Rs. in Cr)	2581.67	3300.02
NSE Cash Vol. (Rs. in Cr)	45,229.61	47,074.51
NSE Derivative Vol. (Rs. in Cr)	2,47,18,400	1,73,77,134

Derivatives Vol. (INR in Cr.)	No of contracts	Turnover (Rs. In cr.)
Index Future Volumes	3,58,939	33,332
Stock Future Volumes	7,60,488	49,930
Index Option Volumes	30,35,55,454	2,44,10,683
Stock Option Volumes	33,65,379	2,24,455
Total	30,80,40,260	2,47,18,400

Major Changes in Nifty Options (OI)

Calls	in lakhs (% Change)
17100	0.37 (+16%)
17200	0.38 (-7%)
17300	0.5 (+3%)

Puts	
17100	0.37 (+42%)
17200	0.28 (+17%)
17300	0.3 (+4%)

Stock	CMP	Support	Resistance	21 DMA	200 DMA	Intraday	Short Term	Long Term
ALUMINIUM 1	203	196	209	208	207	DOWN	DOWN	DOWN
COPPER 1	764	748	779	762	690	DOWN	DOWN	DOWN
COTTON 1	28620	28048	29192	30245	39532	DOWN	DOWN	DOWN
CRUDEOIL 1	5777	5661	5893	6222	7065	DOWN	DOWN	DOWN
GOLD 1	58625	57453	59798	56298	52552	UP	UP	UP
LEAD 1	182	177	188	183	182	UP	DOWN	DOWN
MENTHAOIL 1	988	968	1008	1023	1005	DOWN	DOWN	DOWN
NATURALGAS 1	189	183	195	208	479	DOWN	DOWN	UP
SILVER 1	68433	67064	69802	64645	61546	UP	UP	UP
		0	0					
GUARGUM5 1	11860	11623	12097	12016	10687	DOWN	UP	DOWN
GUARSEED10 1	5660	5547	5773	5684	5349	DOWN	DOWN	DOWN
JEERAUNJHA 1	33760	33085	34435	31027	26345	UP	UP	UP
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-	-	-	-	-	-	-	-	-
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Disclosure of interest statement – • Analyst interest of the stock / Instrument(s) : - No. • Firm interest of the stock / Instrument (s) : - No.